

Approved 8/4/09

POLICE FIRE CITIZEN'S TASK FORCE
July 29, 2009 – 6:00 p.m.
4th Floor Conference Room, Busch Municipal Building

PRESENT: Jerry Fenstermaker – Chairman, Jerry Harmison - Vice-Chairman, Mary Beth Daniels, Gordon Elliott, Carl Herd, Ken Homan, Bob Horton, Danny Hyde, Bob Jones, Peggy Kubicek, Charles Munsey, David Trippe, Craig Wagoner, Lloyd Young

CITY COUNCIL MEMBERS:

CITY STAFF LIAISONS: Greg Burris – City Manager, Evelyn Honea – Deputy City Manager, Collin Quigley – Assistant City Manager, Carl Yendes – Assistant City Attorney, Chief Lynn Rowe – Police, Kathy Hardt - City Manager's Office

ABSENT: Lorenzo Baldwin, James Jeffries

Mr. Jerry Fenstermaker called meeting to order. Minutes from July 22 meeting were reviewed by Committee. Mr. Bob Jones made a motion to accept minutes. Ms. Peggy Kubicek seconded. Minutes approved.

Mr. Fenstermaker stated one of the agenda items, Milliman memo dated July 28, 2009, regarding Tier 1 to LAGERS, needs to be discussed further within the Task Force (document attached).

Dr. Young distributed a copy of a revised motion to the Task Force regarding disability that will be discussed after Mr. Homan's presentation. Mr. Fenstermaker said this is a very complex subject and the Task Force has to decide if they wish to continue reviewing after their report is submitted to City Council. He stated he believes the Task Force should stay in place until the end of 2009.

Mr. Fenstermaker noted a handout on the Safety and Justice Roundtable's final report. The handout contains the News-Leader's article, as well as the section of the final report that discusses the Police and Fire Pension issue.

Mr. Ken Homan gave two Powerpoint presentations discussing the Disability Process and Results and Employee Contributions (document attached).

After discussion within Mr. Homan's presentation on the disability process and results, Dr. Young moved to drop the fourth item on his original motion. He distributed a new, revised motion and then moved to approve the new motion that contains three recommendations (attached). Mr. Elliott seconded. After discussion, Item #1 (*1. Revise the definition of "disability" in the retirement plan to eliminate the provision that plan participants must be granted a disability retirement if they are unable to fulfill every requirement of their pre-disability assignment.*) and Item #2 (*2. Require that all reasonable accommodations be provided to allow disabled employees to continue in their pre-injury assignment, and if such accommodations are inadequate than a search be made for another assignment in either public safety department (fire or police) or in another city department for which the employee is qualified.*) were voted on. **Failed with a vote of (6 Yes, 6 No and 1 Abstain).**

Item #3 (3. *Make such changes as are needed to ensure that under no circumstance may an employee receive a disability pension which is larger than the after-tax pension received by similarly situated retirees who have taken regular retirement.*) of Dr. Young's motion was voted on. **Approved with a vote of (7 Yes and 6 No).**

Mr. Homan presented a second Powerpoint on the analysis of employee contributions and recommendations (document attached). Mr. Homan stated he would like to see Alternative #1 and #2 approved by the Task Force as recommendations included in the final report to City Council.

Alternative #1

- Freeze the return of contribution.
- Tier I contributions-to-date to be paid at separation from service according to current ordinance.
- Future Tier I contributions will not be returned
- Reduce Tier I contributions to 7%, plus what is actuarially required to support the AFC (approximately 1 3/4%).
- This is roughly the equivalent to current "real" value of contributions for a 25 year employee, plus 2%.

Alternative #2

- Increase the Tier I employee contributions to 8 ½% plus the AFC plus a percentage equivalent to a 2% non-ROC increase (approx. 3.25%).
- At the current AFC of 2.85%, this would be a total Tier I contribution of 14.6% based on the 3.25% approximation.

Chad Munsey made the following motion: Alternatives #1 and #2 (listed above) included in Mr. Homan's presentation not be voted on tonight because the Task Force has not had an opportunity to research and further discuss. Mr. Carl Herd seconded. **Failed with a vote of (4 Yes, 8 No and 1 Abstain).**

Mr. Danny Hyde made the following motion: Task Force will include Alternative #1 and #2 (listed above) as recommendations in the final report to City Council. Bob Horton seconded. Mr. Homan noted he is not making this recommendation on behalf of the Pension Board and does not know if they would or would not support. **Approved with a vote of (8 Yes, 4 No and 1 Abstain).**

Mr. David Trippe made the following motion: The Pension Board shall require a copy of federal income tax statements and a copy of all W-2's from all that receive disability through the police and fire pension on an annual basis. Peggy Kubicek seconded. **Approved with a vote of (11 Yes, 1 No and 1 Abstain).**

A handout was distributed by Mr. Trippe titled "Reason for Task Force to advocate a DB plan instead of a DC plan". He noted the word "lucrative" needed to be stricken and/or changed in the second paragraph. With the Task Force wishing to have further clarification on this topic, the handout will be discussed at the next meeting.

Meeting adjourned at 8:20 p.m.